

PROCEDURAL GUIDANCE MESSAGE

Name and Grade of Action Officer MSGT DAMIAN M. ARMIJO				Office Symbol RSOPA		Series Number 207		Signature of Action Officer		Review Date	
	To	Action	Initials/Date		To	Action	Initials/Date		To	Action	Initials/Date
1	RSOP/ CCU	Coord	RSOP _____ CCU _____	5				9			
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FROM: HQ AFRS/RSO

SUBJECT: College Loan Repayment Program (CLRP)

TO: All Recruiting Personnel

1. CLRP is an Air Force educational recruitment incentive program. The CLRP repayment maximum is \$10,000 per recruit. HQ AFPC/DPPAT manages the program.

2. All interested applicants must:

- a. Be a non-prior service enlistee.
- b. Enter Active Duty (EAD) on or after 5 May 2000.
- c. Enlist for a four or six-year term.
- d. Have received a loan made, insured or guaranteed under part B or part E of the Higher Education Act of 1965. Before entering active duty (AD), the loan must not be in default. The following are the only loans that qualify for repayment:
 - (1) Guaranteed Student Loan/Stafford Loans.
 - (2) National Direct Student Loan/Perkins Loans.
 - (3) Supplemental Loans for Students.
 - (4) Federally Insured Student Loans.
 - (5) Parent Loan for Undergraduate Students (PLUS).
 - (6) Auxiliary Loan Assistance for Students (ALAS).
- e. Provide the Air Force a loan promissory note prior to completing Basic Military Training (BMT) but preferably before enlistment.
- f. Attempt to obtain a student loan deferment. Enrollment in the CLRP does not exempt an applicant from the obligation to repay the loan. *Therefore, the applicant must continue to pay the loan or secure a deferment/forbearance.* The applicant remains responsible to secure a deferment from the lender. The letter by itself does not secure deferment. The lender must acknowledge and approve all requests for deferments.
- g. Eligible loans will not be in default prior to the applicant going active duty. The Air Force will not repay loans or portions of loans in default. The Air Force will not repay delinquent payments, interest, and associated charges. The Air Force will not make payments to individuals and will not reimburse individuals for payments made by them or anyone else.

3. Recruiters must provide eligible applicants with a copy of Attachments 1 and 2 (pages 3-7) of this PGM.

4. MEPS Liaisons must:

- a. Load one of the following letters on DD Form 1966/1, section 19, block 51 on all applicants.
 - i. "L" is used to show that the enlistee meets the CLRP eligibility criteria and possesses promissory notes.
 - ii. "N" is used for CLRP ineligible or declinations.
 - iii. "U" is used if the applicant enlisted for CLRP but did not possess the promissory note(s) at the time of enlistment.

- b. Print an AF Form 3008, *Supplement to Enlistment Agreement - United States Air Force* validating that the applicant has selected the CLRP (codes "L" or "U" on 1966/1). The appropriate contract statement will automatically appear on the AF Form 3008 when the CLRP box is selected in AFRISS.
 - c. Print an AF Form 3008 (code "N" on 1966/1) for all other applicants who do not meet the CLRP requirements or do not want to apply and have them initial the default contract statement in the remarks section. The appropriate default contract statement appears automatically when you print an AF Form 3008 out of AFRISS.
 - d. Ensure copies of the following forms are in the applicant's package and/or in their possession when they depart for BMT:
 - (1) AF Form 3008.
 - (2) Loan promissory note(s) (**applicant must hand carry the promissory notes or have them available for the 319th TRS by completion of BMT**).
 - (3) DD Form 1966/1.
 - (4) A copy of the deferment letter(s) sent and approved by lender (**applicant must hand carry to BMT**).
5. Upon the recruit's arrival at BMT, 319th TRS/TPP and 319th TRS/TPPSN will process and send copies of the CLRP forms to: HQ AFPC/DPPAT, 550 "C" Street West, Suite 10, Randolph AFB, TX 78150-4712.
- a. The following forms will be sent to HQ AFPC/DPPAT within 5 working days after the recruit's BMT arrival:
 - (1) AF Form 3008.
 - (2) Loan promissory note.
 - (3) DD Form 1966/1.
 - (4) A copy of the deferment letter sent to lender.
6. Entitlements.
- a. CLRP maximum is \$10,000 per recruit, before taxes. Applicants earn the first loan repayment after completion of a full year of enlisted service. For each year of initially contracted service, the Air Force will repay thirty-three and one-third percent (33 1/3) or \$1,500, whichever is greater, on the remaining outstanding principal balance as stated on the promissory note.
 - b. The Air Force will not pay more than the outstanding principal amount borrowed or the principal balance remaining when the applicant enters AD.
 - c. The Air Force will make payments directly to the lender.
 - d. CLRP payments will be reflected on a separate W-2 and are subject to Federal and State taxes based on member's declaration.
7. Special conditions.
- a. Applicants who do not complete their initial term of enlistment may qualify for prorated credit if they:
 - (1) Complete at least one full year of enlisted service.
 - (2) Separate for Convenience of Government (COG), hardship, or because of a service-connected disability.
 - (3) HQ AFPC/DPPAT will make final determination of prorated credit.
 - (4) Applicants who receive a commission appointment lose eligibility for the CLRP.
 - b. Applicants who reenlist will not receive additional payments.
8. All questions related to the CLRP must be sent to HQ AFPC/DPPAT, 550 "C" Street West, Suite 10, Randolph AFB, TX 78150-4712, phone (210) 565-2528 or DSN 665-2528.

FOR THE COMMANDER

//////////Signed//////////

JAMES R. HOLADAY, Colonel, USAF
Chief, Operations Division

Attachments:

1. Applicant's CLRP Fact Sheet
2. Applicant's Permanent Duty Assignment Information

APPLICANT COLLEGE LOAN REPAYMENT PROGRAM (CLRP) FACT SHEET

1. Eligibility Requirements:

- You must be non-prior service, ACTIVE DUTY ENLISTED only (*Note: Officers, Guard & Reserve are not eligible*)
- You must enter Active Duty on or after 5 May 2000
- You must enlist for a four/six year term of active duty service
- You must complete your initial skills training
- Your loans must not be in default
- The **only** qualifying loans for this program are:
 - a. Auxiliary Loan Assistance for Students (ALAS)
 - b. Federally Insured Student Loans
 - c. Guaranteed Student Loan or Stafford Loan
 - d. National Direct Student Loan or Perkins Loan
 - e. Supplemental Loans for Students
 - f. Parent Loan for Undergraduate Students (PLUS) incurred for the use of individual contracting for CLRP

2. Applicant's Responsibility: You are responsible for providing specific documents that are needed to process your claim. Some of the required documents will come from your personal files and some from your Air Force records called the Unit Personnel Record Group or "UPRG" that will be started while you're at BMT. All your documents will be faxed or mailed by the 319TRS/TPP or 319TRS/TPPSN to HQ AFPC/DPPAT, 550 C Street West Suite 10, Randolph AFB, TX 78150-4712 (fax DSN 665-2328).

Provide the following mandatory forms from your UPRG:

- DD Form 1966/1, *Record of Military Processing – Armed Forces of the United States*. This form is generated at the MEPS and goes with you to BMT.
- DD Form 4, *Enlistment/Reenlistment Document Armed Forces of the United States*. This form is generated at the MEPS and goes with you to BMT.
- AF Form 3008, *Supplement to Enlistment Agreement – United States Air Force*. This contract supplement is obtained from your Air Force MEPS Liaison and also goes with you to BMT.

Provide the following from your personal records or get documents from your lender(s) **Note: It is imperative that you have this documentation with you prior to leaving for or completing BMT:**

- All "Promissory Notes & Disclosure Statements" or "Guarantee of Notice to Lender and Disbursement Statement." Most of the information you need to determine your loan balances, promissory notes, disclosure statements, deferment forms, and forbearance forms can be found at the following WEB site: <http://www.dl.ed.gov/>.
- The "Applicant's Contact Sheet" that is included in this package.
- You must notify DPPAT of any changes in your unit mailing address, phone numbers, etc.
- **You are solely responsible for obtaining any loan deferments or forbearances, and for paying all accrued interest and fees resulting from the loans. The Air Force cannot make payments on any defaulted loans.**

3. After you have served 6 months active duty HQ AFPC/DPPAT, will fax a DD Form 2475, *DoD Educational Loan Repayment Program Annual Application*, and the Memorandum for Lender to your unit orderly room. The DD Form 2475 will not be sent until all of the documents outlined in the enrollment procedures are completed. You will sign the receipt for the DD Form 2475 and/or CLRP package. Orderly room personnel will file the receipt in your Personnel Information File (PIF). Contact DPPAT immediately if you have served more than 6 months of active duty and have provided all enrollment documents listed above in paragraph 2. **(Note: Only those DD Forms 2475 issued and signed by HQ AFPC/DPPAT personnel can be accepted for this program).**

4. **Payments:** CLRP pays a maximum of \$10,000 per individual. Payments are considered taxable income and the current tax rate is 28%. Payments are thirty-three and one third (33-1/3 %) or \$1,500, whichever is greater, annually. For example:

- \$10,000 - 28% tax = \$2800.00 (Taxes)
- \$10,000 - \$2800 = \$7200 (Paid to lender)
- \$7200 divided over 3 years = \$2400.00 (Annual payment to lender)

- a. Annual payments cannot be relied upon to keep your loan in good standing. It is your responsibility to make payments, as the lender(s) requires.
- b. The Air Force will not pay any interest toward your loan nor will it reimburse you for payments you make or have already made to your lender(s).

5. **Payment:** Payment toward the principle of your loan will be made after you complete one year of active duty and all DD Form(s) 2475 are returned to DPPAT by your lender(s). We will contact you to confirm the amount to be paid toward eligible loans.

6. **Terms & Conditions of payments:** Over the next three-years, payments will be on or after your anniversary date of entering active duty. Each year a separate DD Form 2475 will be sent to your unit orderly room for you to forward to your lender(s). Defense Finance and Accounting (DFAS) will pay your lender(s) within 120 days after your DD Forms 2475 are processed by DPPAT.

- a. You must remain on enlisted active duty while enrolled in the program.
- b. All loans must be in good standing. Defaulted or delinquent loans will not be repaid.
- c. You are responsible for paying all loan origination fees, insurance fees and/or accrued interest.
- d. All payments are made directly to the lender(s).
- e. All payments are reflected on a W-2 Form and are reported directly to the Internal Revenue Service and your state tax agency.

7. Please consult our automated web page located at: <http://www.afpc.randolph.af.mil/edu> for current updates to your CLRP record. Please direct all CLRP e-mail inquiries to: afpc.dppat.clrp@randolph.af.mil.

8. Call or e-mail if one of the following situations applies to you:

- a. If you have a confirmed separation date and will not complete your first full term of enlisted service (either 4 or 6 years).
- b. Receive an appointment to become a commissioned officer.

“APPLICANT’S PERMANENT DUTY ASSIGNMENT INFORMATION”

Privacy Act Statement

AUTHORITY: 10 U.S.C. 8013, Secretary of the Air Force. Operation and Administration of the Air Force Education Services Program and E.O. 9397 (SSN)

PRINCIPAL PURPOSE: To establish eligibility to participate in the College Loan Repayment Program (CLRP).

ROUTINE USES: Gather personal information for tracking participants and processing CLRP applications.

DISCLOSURE: Voluntary; however, failure to provide your Social Security Number and other personal information may delay processing of CLRP application, enrollment, and payment.

NOTE: Use only the information from your 1st permanent duty station. Technical Training school information can only be used if you are currently at school and will not graduate within the next nine months. Complete and fax this information to HQ AFPC/DPPAT at DSN: 665-2328.

Name: _____ **SSN:** _____ - _____ - _____
(Last, First, Middle Initial)

ORGANIZATION: _____ **OFFICE SYMBOL:** _____

Complete shaded area only if in Technical Training

CLASS ID NUMBER: _____ **INSTRUCTOR:** _____
(Name & Rank)

DSN PHONE: (workcenter): _____ **CELL PHONE:** _____

COMM PHONE: (workcenter): _____ **HOME PHONE:** _____

MILITARY EMAIL: _____

PERSONAL EMAIL: _____

MAILING ADDRESS: (PERMANENT DUTY STATION)

UNIT ORDERLY ROOM: Call your unit orderly room to obtain this information

ORGANIZATION: _____ **OFFICE SYMBOL:** CSS / CCQ / CCQA
(CIRCLE ONE)

ORDERLY ROOM MAILING ADDRESS:

_____ **DSN AND COMMERCIAL PHONE:** _____

_____ **DSN AND COMMERCIAL FAX:** _____

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